

Role of data driven marketing strategies on managing competition in Ecommerce industry. The case study of Walmart

Chapter 1: Introduction

1.1 Introduction

Data-driven marketing can be defined as the process of making decisions regarding the marketing strategies of an organization or company rather than applying hypothetical theories in the overall activities of the organization (Saleem et al., 2019). A data-driven marketing strategy is a significant part of any business or organization that is looking forward to being on top of the competitive market. By analyzing the vulnerabilities in the data insights, organizations will be able to understand the target audience, optimize their campaigns and personalize their marketing efforts. E-commerce data contains all the digital data about the products, their pricing, retail sites, sales performance and the details about the customers related to the e-commerce industry (Camilleri 2020). By properly analyzing and distilling the collected data, organizations will be able to predict the upcoming trends, thereby leading to the attraction of more customers and maintaining satisfaction in the current customers. With data-driven marketing strategies, organizations can focus on improvising the overall sales of the company and the efficiency of the operational activities. This will eventually lead to growth in ROI which will be a beneficial factor for the organization in future (Goldman et al., 2021)

1.2 Research Background

The current research study focuses on analysing the Role of data-driven marketing strategies in managing competition in the E-commerce industry by giving special reference to the case study of Walmart. The e-commerce industry has grown rapidly over the past few decades, increasing consumers turning to online shopping for convenience and accessibility (Nanda et al., 2021). This growth has led to increased competition among e-commerce retailers striving to capture a share of the growing market. To stay competitive, e-commerce retailers increasingly use data-driven marketing strategies to target their customers more effectively and efficiently. Data-driven marketing strategies leverage customer data to create

personalised marketing campaigns that resonate with consumers, leading to increased engagement, customer loyalty, and, ultimately, increased revenue (Du et al., 2021).

Walmart, a multinational retail corporation, has been at the forefront of this trend, using data-driven marketing strategies to manage competition in the e-commerce industry. With a history dating back to the 1960s, Walmart has grown to become one of the largest retailers in the world, with a significant presence in the e-commerce industry (Ge et al., 2019). In recent years, Walmart has invested heavily in data analytics, artificial intelligence, and machine learning to improve its marketing efforts and drive sales growth. For example, the company uses data to create personalised product recommendations, target customers with relevant promotions, and optimise its website to improve the customer experience. Despite the growing importance of data-driven marketing in the e-commerce industry, there is still much to be learned about the effectiveness of these strategies, particularly in the context of managing competition (Hu et al., 2023). Existing research has explored the use of data-driven marketing in various industries, but there is a need for more research specific to the e-commerce industry. This study aims to address this gap in the literature by examining the Role of data-driven marketing strategies in managing competition in the e-commerce industry, focusing on the case study of Walmart. The study will explore the significance of data-driven marketing strategies in the e-commerce industry, identify the factors affecting competition in the industry, evaluate the effectiveness of Walmart's data-driven marketing strategies, and provide recommendations to improve these strategies. By doing so, this study will contribute to a better understanding of the Role of data-driven marketing in the e-commerce industry and help inform future research and practice in this area.

1.3 Rationale of the study

In recent years, the e-commerce industry has experienced considerable growth as consumers increasingly prefer the convenience and accessibility of online shopping. As a result, e-commerce retailers are facing intensified competition as they aim to capture a larger market share. These retailers increasingly rely on data-driven marketing strategies to maintain their competitive edge. Data-driven marketing is a strategy that employs customer data to develop personalised

marketing campaigns that appeal to consumers (Abakouy et al., 2019). The primary objective of these campaigns is to enhance customer engagement and loyalty, which can ultimately lead to higher revenue. Despite its popularity among e-commerce retailers, the effectiveness of data-driven marketing strategies in managing competition has not been thoroughly investigated.

The study will concentrate on the case of Walmart, a prominent player in the industry that has effectively used data-driven marketing strategies to achieve success. The problem discussed in the study is the need for e-commerce retailers to effectively manage competition in a rapidly growing market. To remain competitive, these retailers are increasingly turning to data-driven marketing strategies (Timoumi et al., 2022). However, the effectiveness of these strategies in managing competition has not been extensively researched, particularly in the context of the e-commerce industry. Therefore, the study aims to fill this research gap by focusing on the case of Walmart and analysing the role of data-driven marketing strategies in managing competition within the e-commerce industry. By analysing Walmart's data-driven marketing strategies, this study aims to provide insights that can be applied to other e-commerce retailers. The study will explore the impact of data-driven marketing strategies on customer engagement, loyalty, and revenue. It will also identify the challenges that retailers face when implementing data-driven marketing strategies and recommend measures to overcome these challenges. The study could also contribute to the existing literature on data-driven marketing strategies, particularly in the e-commerce industry. Finally, the study could help policymakers understand the impact of data-driven marketing on the e-commerce industry and inform the development of regulations to ensure fair competition among retailers.

1.4 Research Aim, Objectives & Question

1.4.1 Research Aim

This research aims to examine the Role of data-driven marketing strategies in managing competition in the e-commerce industry, focusing on the case study of Walmart.

1.4.2 Research Objectives

To examine the significance of data-driven marketing strategies in the e-commerce industry.

To identify the factors affecting competition in the E-commerce industry.

To evaluate the Role of data-driven marketing strategies in managing competition in Walmart.

To recommend measures to improve data-driven marketing strategies for managing competition in the Walmart

1.4.3 Research Question

What are data-driven marketing strategies, and how are they used in the e-commerce industry?

What are the significant factors affecting competition in the e-commerce industry?

How has Walmart implemented data-driven marketing strategies to manage competition in the e-commerce industry?

Mention the Role that data-driven marketing strategies plays in managing competition in Walmart.

1.5 Overview

The various techniques that are used to determine, examine, select and analyse data collected about the specific topic can be referred to as research methodology (Newman and Gough 2020). Among the wide range of data collection methods secondary data collection method is considered the most suitable approach for this study. The role of data-driven marketing strategies in managing competition in the e-commerce industry is analysed in this study using interpretivism research philosophy. Because of the strong correlation with interpretivism researcher has decided to adopt an inductive approach in this research study. The researcher is planning to use the exploratory design to deeply explore the chosen topic to determine the key factors influencing management strategies in the e-commerce industry. This will help to get a better understanding of the existing issues

regarding the research. In the current study, the researcher investigates the issues related to the research using the research strategy known as the case study strategy. The researcher can collect the required secondary data from various sources like books, journals, news reports, websites and many more. Researchers will be to save a lot of expenses and time by using secondary data. The selection of the data collection method that is going to be used in the research is an important factor in the data collection method. The data analysis plan for conducting research on the topic by the researcher is descriptive analysis. This section of the research paper allows the reader to get an overall idea about the validity and reliability of this study (Patel and Patel 2019)

1.6 Limitations of the research

While conducting the research study, the researcher has to face a wide range of limitations which restricts the researcher from the smooth conduction of the research study. As the research adopts secondary data for collecting the required data related to the research topic, the absence of the primary data is the major limitation which restricted the researcher from collecting. The time and cost constraints are the limitation that the researcher faced during the conduction of the research. When conducting secondary data research, some limitations may impact the ability to analyse the data in the desired way. The researcher cannot control the variables used to collect the secondary data, which may restrict their analysis. Additionally, the data may be biased due to the source, collection method, or analysis method. Further, secondary data may lack context, making it challenging to draw accurate conclusions.

1.7Summary

By conducting this research, the researcher aims to understand the role of data-driven marketing strategies in managing competition in the e-commerce industry by taking the case study on Walmart. The secondary data collection method was used to achieve this aim. The researcher has identified the core factors related to the research topic and will discuss them in more detail in the coming chapters of the research. The researcher has also studied and identified the basic concepts and ideologies regarding the data-driven management strategies and how they influence the competitive market in the e-commerce industry.

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